

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
California-American Water Company (U210W)
for an Order Authorizing it to Increase its Rates
for Water Service in its Monterey Division to
Increase Revenues by \$5,725,300 or 22.47% in the
Year 2003; \$1,772,100 or 6.94% in the Year 2004;
and \$996,500 or 3.02% in the Year 2005.

Application 02-04-022
(Filed April 15, 2002)

SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER

Summary

California-American Water Company (Cal-Am) filed this application on April 15, 2002 seeking authority to increase water rates in its Monterey Division. A prehearing conference was held on June 3, 2002. Pursuant to Rules 6(a)(3) and 6.3 of the Rules of Practice and Procedure, I am issuing this scoping memo and ruling to confirm the proceeding category and need for hearing, establish the issues and timetable, and designate the principal hearing officer.

Scope of the Proceeding

This proceeding will address the following issues:

1. What revenue requirements, rate designs, and rates should be ordered for Cal-Am's Monterey Division for 2003, 2004 and 2005?
2. What figures should the Commission adopt for the standard components underlying its adopted revenue requirement, rate design and attrition, including but not limited to: itemized results of operations at present and adopted rates; financial structure, cost of debt and equity, and return on rate base; growth and sales forecasts; depreciation rates and reserves; quantities necessary for later offset calculations, etc.?

3. Should the Commission grant application Special Requests #1 through #12 in which Cal-Am asks the Commission to: authorize a standby rationing plan; authorize accounting treatment for various items; and permit recovering numerous expense, memorandum and balancing account amounts?
4. Should the Commission authorize any other relief, impose any requirements or conditions, or make any other findings in connection with its order in this general rate case?

Timetable

The schedule for this proceeding is as follows:

August 6, 2002	Commission staff and other parties serve direct testimony and exhibits.
August 15, 2002	Cal-Am serves rebuttal testimony.
August 19, 2002	Cal-Am and staff serve reconciliation exhibit.
August 19, 2002	Evidentiary hearings begin at 10:00 a.m. in the Commission Courtroom, 505 Van Ness Avenue, San Francisco.
September 6, 2002	Concurrent briefs filed; proceeding submitted.
October 16, 2002	Proposed Decision filed. Comments on Proposed Decision (20 days after Proposed Decision filed). Reply Comments on Proposed Decision (5 days following Comments).
November 21, 2002	Commission meeting to consider Proposed Decision.

Category and Need for Hearing

This ruling confirms that this is a ratesetting proceeding and that a hearing is required, as preliminarily determined in Resolution ALJ 176-3086.

Principal Hearing Officer

Administrative Law Judge (ALJ) James McVicar is designated as the principal hearing officer (Rule 5(l)), and thus will be the presiding officer under Rule 5(k)(2).

Final Oral Argument Before the Commission

Any party wishing to exercise the right under Rule 8(d) to make a final oral argument before the Commission must file a written request and serve it on all parties and the assigned Commissioner and assigned ALJ not later than the case submission date.

IT IS RULED that:

1. The issues to be considered are those described in this ruling.
2. The timetable for the proceeding is as set forth herein.
3. This is a ratesetting proceeding.
4. A hearing is needed.
5. Administrative Law Judge (ALJ) James McVicar is designated as the principal hearing officer.
6. Any party wishing to make a final oral argument before the Commission must file a written request and serve it on all parties and the assigned Commissioner and assigned ALJ not later than the case submission date.

Dated June 17, 2002 at San Francisco, California.

/s/ Michael R. Peevey
Michael R. Peevey
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Scoping Memo and Ruling of Assigned Commissioner on all parties of record in this proceeding or their attorneys of record.

Dated June 17, 2002, at San Francisco, California.

/s/ Antonina V. Swansen
Antonina V. Swansen

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.